

**7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A**

**ANNUAL FINANCIAL STATEMENTS**

**AS OF JUNE 30, 2008  
AND FOR THE YEAR THEN ENDED**

**WITH  
INDEPENDENT AUDITOR'S REPORT**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

1/21/09



**SILAS SIMMONS** LLP

CERTIFIED PUBLIC ACCOUNTANTS and ADVISORS

**7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A**

**Annual Financial Statements  
As of and for the Year Ended June 30, 2008**

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**INDEPENDENT AUDITOR'S REPORT**



**SILAS SIMMONS** LLP

CERTIFIED PUBLIC ACCOUNTANTS and ADVISORS

**INDEPENDENT AUDITOR'S REPORT**

209 N. Commerce Street  
P.O. Box 1027  
Natchez, Mississippi 39121-1027  
Telephone: 601.442.7411  
Fax: 601.442.8551

[www.sillasimmons.com](http://www.sillasimmons.com)

The Honorable Judge Kathy Johnson  
7<sup>th</sup> Judicial District Court  
Juvenile Drug Court Division A  
Vidalia, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A, as of and for the year ended June 30, 2008, which collectively comprise the Court's basic financial statements, as listed in the Table of Contents. These financial statements are the responsibility of the Court's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A as of June 30, 2008, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 31, 2008, on our consideration of the Court's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on Pages 3 through 5 and Pages 16 and 17, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

This report is intended solely for the information and use of management, the Louisiana Legislative Auditor, and the Louisiana Supreme Court and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Silas Simmons, LLP*

Natchez, Mississippi  
October 31, 2008

7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

The management of the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A offers its readers of the Juvenile Drug Court's (the Court) financial statements this narrative overview and analysis of the financial activities of the Court for the fiscal year ended June 30, 2008. This management discussion and analysis (MD&A) is designed to provide an objective analysis of the Court's financial activities based on currently known facts, decisions, and conditions. It is intended to provide readers with a broad overview of the Court's finances. It is also intended to provide readers with an analysis of the Court's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Court. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Court's financial activity, identify changes in the Court's financial position (its ability to address the next and subsequent year's challenges), and identify any material deviations from the financial plan (the approved budget).

The Court presents its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement 34. We encourage readers to consider the information presented here in conjunction with additional information presented throughout this report.

**Overview of the Financial Statements**

This section is intended to serve as an introduction to the Court's financial statements. The Court's basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements are designed by GASB No. 34 to change the way in which governmental financial statements are presented. It now provides the readers with a concise "entity-wide" Statement of Net Assets and Statement of Activities, which seek to give the user of the financial statements a broad overview of the Court's financial position and results of operations in a manner similar to private sector businesses.

The statement of net assets presents information on all of the Court's assets and liabilities using the accrual basis of accounting. The difference between assets and liabilities is reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Court is improving or weakening.

The statement of activities presents information which shows how the Court's net assets changed during this fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. The Court's activities are all reported as governmental activities. These activities are supported by intergovernmental revenues from the Louisiana Supreme Court.

**7TH JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2008**

At June 30, 2008, the Court's assets exceeded its liabilities by \$7,481 (net assets). This represents a decrease of \$(3,397) from the prior fiscal year. The following is the Court's net assets as of June 30, 2008 and 2007:

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2007</u>
<b>Assets</b>		
Cash	\$ 566	\$ 4,208
Due from other governments	15,120	23,684
Capital assets (net)	<u>7,481</u>	<u>10,878</u>
Total assets	<u>\$ 23,167</u>	<u>\$ 38,770</u>
<b>Liabilities</b>		
Accounts payable	\$ 15,686	\$ 27,892
Total liabilities	<u>\$ 15,686</u>	<u>\$ 27,892</u>
<b>Net assets</b>		
Invested in capital assets, net	\$ 7,481	\$ 10,878
Total net assets	<u>\$ 7,481</u>	<u>\$ 10,878</u>

The largest part of the Court's net assets is its investment in capital assets (\$7,481 or 100%). The Court uses capital assets to provide services; consequently, these assets are not available for future spending. The Court has no outstanding debt at June 30, 2008. The Court's net assets decreased by \$(3,397). This is primarily due to depreciation during the year.

The following is a summary of the Court's statements of activities for the years ended June 30, 2008 and 2007:

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2007</u>
<b>Revenues</b>		
Program revenues	\$ 168,750	\$ 168,750
Total revenues	<u>\$ 168,750</u>	<u>\$ 168,750</u>
<b>Expenses</b>		
General government	\$ 172,147	\$ 165,224
Total expenses	<u>\$ 172,147</u>	<u>\$ 165,224</u>
Increase (decrease) in net assets	\$ (3,397)	\$ 3,526
Net assets, beginning	<u>10,878</u>	<u>7,352</u>
Net assets, ending	<u>\$ 7,481</u>	<u>\$ 10,878</u>

7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

The governmental activities of the Court include public safety through the administration and implementation of the Louisiana Drug Court Program. Funding is provided through federal/state grant agreements. The majority of the expenses are for drug treatment and participant services.

**Fund Financial Statements - Governmental Funds**

The fund financial statements provide more detailed information about the Court's governmental fund. Funds are accounting devices that the Court uses to keep track of specific sources of funding and spending for a particular purpose. The Court currently maintains one governmental fund which is its General Fund. The General Fund is considered to be a major fund. The Court adopts an annual budget for the General Fund. A statement of revenues, expenditures, and changes in fund balance for the General Fund is presented in the Required Supplemental Information (Part II), which compares actual revenues and expenditures to the original budget and amended budget figures.

Net assets decreased by \$(3,397) during the current fiscal year, an increase of \$3,526 from the prior year. The Court amended its original budget during the year. The major change from the original budget to the final amended budget was a decrease in treatment costs of \$550 and an increase in administrative/personnel costs in the amount of \$795.

Capital Assets

The total investment in net capital assets as of June 30, 2008 is \$7,481.

There were no new capital assets purchased during the fiscal year.

Current Financial Factors

Funding is dependent on the continuation of the Program with the State. The number of participants dictates the level of funding to be received. The Court served approximately 20 participants during the current fiscal year. The program is set up to serve as many as 30 participants.

Requests for Information

This financial report is designed to provide a general overview of the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A's finances for all with an interest in its operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Lillian Pugh, Drug Court Coordinator, 4001 Carter Street, Suite 10, Vidalia, Louisiana 71373.



## **BASIC FINANCIAL STATEMENTS**

**Government-Wide Financial Statements**

7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

## STATEMENT OF NET ASSETS

JUNE 30, 2008

Governmental  
ActivitiesASSETS

Cash	\$ 566
Due from other governments	15,120
Capital assets (net)	<u>7,481</u>
Total assets	<u>\$ 23,167</u>

LIABILITIES

Accounts payable	\$ <u>15,686</u>
Total liabilities	<u>\$ 15,686</u>

NET ASSETS

Invested in capital assets, net of related debt	\$ <u>7,481</u>
Total net assets	<u>\$ 7,481</u>

See accompanying notes to the basic financial statements.

7TH JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

<u>GOVERNMENTAL ACTIVITIES</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Governmental Activities</u>
		<u>Operating Grants</u>	<u>Net (Expenses)/ Revenues</u>	
General government	\$ 172,147	\$ 168,750	\$ (3,397)	\$ (3,397)
Total governmental activities	\$ 172,147	\$ 168,750	\$ (3,397)	\$ (3,397)
General revenues				\$ -
Change in net assets				\$ (3,397)
Net assets - beginning				\$ 10,878
Net assets - ending				\$ 7,481

See accompanying notes to the basic financial statements.

**Fund Financial Statements**

**Governmental Fund**

7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

BALANCE SHEET  
GOVERNMENTAL FUND

JUNE 30, 2008

	<u>General Fund</u>
<b><u>ASSETS</u></b>	
Cash	\$ 566
Due from other governments	<u>15,120</u>
Total assets	<u>\$ 15,686</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>	
Liabilities:	
Accounts payable	\$ <u>15,686</u>
Total liabilities	<u>\$ 15,686</u>
Fund balance:	
Unreserved	\$ <u>-</u>
Total fund balance	<u>\$ -</u>
Total liabilities and fund balance	<u>\$ 15,686</u>

See accompanying notes to the basic financial statements.

7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE FINANCIAL STATEMENT OF NET ASSETS

JUNE 30, 2008

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balance, Governmental Fund (Statement C)	\$ -
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>7,481</u>
Net Assets of Governmental Activities (Statement A)	<u>\$ 7,481</u>

See accompanying notes to the basic financial statements.



7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND

FOR THE YEAR JUNE 30, 2008

	<u>General Fund</u>
<b><u>REVENUES</u></b>	
Intergovernmental revenues:	
State	\$ 168,750
Total revenues	<u>\$ 168,750</u>
<b><u>EXPENDITURES</u></b>	
General government	
Administrative	\$ 11,696
Treatment	141,285
Drug test kits	4,842
Office expense	2,591
Other services	4,400
Training	<u>3,936</u>
Total expenditures	<u>\$ 168,750</u>
Excess of revenues	\$ -
Fund balance - beginning	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>

See accompanying notes to the basic financial statements.

7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balance, Governmental Fund (Statement E)	\$ -
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	<u>(3,397)</u>
Change in Net Assets of Governmental Activities (Statement B)	\$ <u>(3,397)</u>

See accompanying notes to the basic financial statements.

### **Notes to the Basic Financial Statements**

**THE 7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2008**

**INTRODUCTION**

The 7th Judicial District Court, Juvenile Drug Court Division A, (the Drug Court), is a division of the District Court pursuant to LA R.S. 13:5300 (1950 as amended), whose purpose is to implement a drug court program that will reduce crime rates, reduce recidivism, alleviate continued drug abuse, assist drug abusers in rehabilitating their lives and building a drug free future in a cost effective manner that will ultimately reduce jail overcrowding and crime, thereby reducing costs to governmental entities responsible for law enforcement. The Drug Court is administered by the presiding Judge and by the Drug Court Coordinator who is an employee of the Concordia Parish Sheriff's Office.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A have been prepared in conformity with governmental accounting principals generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principals. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, issued in June 1999.

**B. REPORTING ENTITY**

As required by U. S. generally accepted accounting principals, the financial statements of the reporting entity present the primary government and its component units. The accompanying financial statements present the Drug Court as the primary government. No other organization was determined to be a component unit of the Drug Court. Therefore, no blended or discretely presented component units are presented in the accompanying financial statements.

**C. FUND ACCOUNTING**

The Drug Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

**Governmental Funds**

Governmental funds account for all of the Drug Court's general activities. These funds focus on sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Drug Court. The following is the Drug Court's governmental fund:

**General Fund** - the primary operating fund of the Drug Court and its accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Drug Court policy.

**THE 7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Fund Financial Statements**

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Drug Court operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Drug Court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred.

**Revenues**

The Drug Court receives all of its support and revenue under Federal/State grant agreements. In order to receive funding, the organization must comply with the grant contract provisions.

**Government-Wide Financial Statements**

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the Drug Court as a whole. These statements include all of the financial activities of the Drug Court. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

**Program Revenues** - Program revenues included in the Statement of Activities (Statement B) are derived from operating grants received through the Louisiana Supreme Court. The Drug Court currently has no general revenues.

**E. BUDGETS**

The 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A annually prepares a budget prior to the end of the current fiscal year and submits it to the Louisiana Supreme Court for approval. The budget is prepared using the generally accepted accounting principal basis. From time to time the budget is amended. This can only be done with the approval of the Louisiana Supreme Court.

THE 7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. At June 30, 2008 the Drug Court only had one bank account, a noninterest bearing checking account, with the balance of \$566. Cash (the bank balance) is fully secured by Federal deposit insurance at June 30, 2008. There are no cash equivalents at year end.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. The Drug Courts capital assets consist of furniture and equipment which are depreciated using the straight-line method over five to seven years.

H. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans and are subject to change.

I. ESTIMATES

The preparation of financial statements in conformity with accounting principals generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - RECEIVABLES

Receivables at June 30, 2008, are comprised of the amount due from the Louisiana Supreme Court for reimbursement of program expenses. There is no provision for uncollectible accounts. All amounts due from the grantor are considered fully collectible.

**THE 7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2008**

**NOTE 3 - FURNITURE AND EQUIPMENT**

Capital assets and depreciation activity as of and for the year ended June 30, 2008, is as follows:

	Beginning Balance <u>7/1/2007</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance <u>6/30/2008</u>
<u>Governmental activities:</u>				
Capital assets being depreciated				
Office furniture and equipment	\$ 17,907	\$ -	\$ -	\$ 17,907
Total capital assets being depreciated	\$ 17,907	\$ -	\$ -	\$ 17,907
Less accumulated depreciation for:				
Office furniture and equipment	\$ (7,029)	\$ -	\$ (3,397)	\$ (10,426)
Total accumulated depreciation	\$ (7,029)	\$ -	\$ (3,397)	\$ (10,426)
Total capital assets being depreciated, net	<u>\$ 10,878</u>	<u>\$ -</u>	<u>\$ (3,397)</u>	<u>\$ 7,481</u>

**NOTE 4 - GRANT FUNDING**

For the year ended June 30, 2008, the agency received funding of \$168,750 from the United States Department of Health and Human Services passed through the Louisiana Supreme Court.

**NOTE 5 - LITIGATION AND CLAIMS**

The 7th Judicial District Court, Juvenile Drug Court Division A is not involved in any litigation at June 30, 2008, nor is it aware of any unasserted claims.

**NOTE 6 - NONPROFIT ORGANIZATION**

The Drug Court has established Con-Cat, Inc., a nonprofit organization, to accept private donations. To date, no donations have been made to the corporation.

**Required Supplemental Information (Part II)**



THE 7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2008

	Budget Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b><u>REVENUES</u></b>				
Intergovernmental revenues:				
State	\$ 168,750	\$ 168,750	\$ 168,750	\$ _____
Total revenues	\$ 168,750	\$ 168,750	\$ 168,750	\$ _____
<b><u>EXPENDITURES</u></b>				
General government				
Administrative	\$ 10,901	\$ 11,696	\$ 11,696	\$ _____
Treatment	141,835	141,285	141,285	_____
Drug test kits	4,842	4,842	4,842	_____
Office expense	2,797	2,591	2,591	_____
Other services	4,400	4,400	4,400	_____
Travel and training	3,975	3,936	3,936	_____
Total expenditures	\$ 168,750	\$ 168,750	\$ 168,750	\$ _____
Excess of revenues	\$ -	\$ -	\$ -	\$ _____
Fund balance - beginning of year	_____	_____	_____	_____
Fund balance - end of year	\$ _____	\$ _____	\$ _____	\$ _____

See Independent Auditor's Report.

**7<sup>TH</sup> JUDICIAL DISTRICT COURT,  
JUVENILE DRUG COURT DIVISION A**

**NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION**

**FOR THE YEAR ENDED JUNE 30, 2008**

**NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION**

**Budgetary Comparison Schedule**

**1. Basis of Presentation**

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, and variances between the final budget and the actual data.

**2. Budget Amendments and Revisions**

The budget is prepared by management and approved by the Louisiana Supreme Court. Amendments can only be made on the approval of the Supreme Court. A budgetary comparison schedule is presented for the General Fund consistent with accounting principals generally accepted in the United States of America.

**INTERNAL CONTROL AND COMPLIANCE REPORTS**


**SILAS SIMMONS** LLP

CERTIFIED PUBLIC ACCOUNTANTS and ADVISORS

**REPORT ON INTERNAL CONTROL  
 OVER FINANCIAL REPORTING AND  
 ON COMPLIANCE AND OTHER MATTERS  
 BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS  
 PERFORMED IN ACCORDANCE WITH  
 GOVERNMENT AUDITING STANDARDS**

209 N. Commerce Street  
 P.O. Box 1027  
 Natchez, Mississippi 39121-1027  
 Telephone: 601.442.7411  
 Fax: 601.442.8551

[www.silasimmons.com](http://www.silasimmons.com)

The Honorable Judge Kathy Johnson  
 7<sup>th</sup> Judicial District Court  
 Juvenile Drug Court Division A  
 Vidalia, Louisiana

We have audited the financial statements of the governmental activities and each major fund of the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A, as of and for the year ended June 30, 2008, which collectively comprise the Court's basic financial statements, and have issued our report thereon dated October 31, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Court's internal control over financial reporting. Accordingly, we do not express an opinion of the effectiveness of the Court's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Court's financial statements that is more than inconsequential will not be prevented or detected by the Court's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Court's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses.

We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 7<sup>th</sup> Judicial District Court, Juvenile Drug Court Division A's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the management, the Louisiana Legislative Auditor, the Louisiana Supreme Court, and federal awarding agencies and pass-through entities and is not intended to be and should not be, used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*Silas Simmons, LLP*

Natchez, Mississippi  
October 31, 2008